

Appointment of first batch of general partners for Hong Kong Growth Portfolio

The Government announced today (September 3) that the Investment Committee of the Hong Kong Growth Portfolio (HKGP) has decided to appoint three private equity firms as the first batch of general partners to make strategic investments for HKGP. All three private equity firms either have their headquarters based in Hong Kong, or have substantial offices established in Hong Kong.

"The three private equity firms are all visionary and have outstanding cross-sectoral investment capabilities. Each of them currently has more than HK\$100 billion of assets under management and possesses rich experience in making investments in projects with a Hong Kong nexus. I welcome the decision of appointing these firms as our partners, and have every confidence that HKGP could help enhance Hong Kong's productivity and competitiveness in the long run," said the Financial Secretary, Mr Paul Chan.

The Financial Secretary accepted, last February, the recommendations of the Group of Experienced Leaders to deploy 10 per cent of the Future Fund to set up the investment portfolio for making strategic investments in projects with a Hong Kong nexus, with a view to reinforcing Hong Kong's status as a financial, commercial and innovation centre and raising Hong Kong's productivity and competitiveness in the long run, while seeking reasonable risk-adjusted returns.

The Government established, last September, a two-tier committee framework for HKGP, including a Governance Committee and an Investment Committee, to take forward the initiative. The Financial Secretary chairs the Governance Committee with six non-official members who have rich experience in investment to provide strategic steering for HKGP and give guidance on matters such as investment mandates and asset allocation. The Investment Committee is chaired by the Secretary for Financial Services and the Treasury, and comprises representatives from relevant government agencies to decide on the appointment of general partners in accordance with the parameters specified by the Governance Committee and to oversee the performance of the general partners. The Hong Kong Monetary Authority is responsible for providing necessary executive support to the operation of HKGP, including sourcing general partners, conducting due diligence and making recommendations.

The membership and terms of reference of the Governance Committee and the Investment Committee of HKGP can be found at the Annex.